

Company Registration No. 07729195 (England and Wales)

**PYJAMA PROPERTIES LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**  
**PAGES FOR FILING WITH REGISTRAR**

# PYJAMA PROPERTIES LIMITED

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# PYJAMA PROPERTIES LIMITED

## BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	2		60,600		4,986
Investment properties	3		2,019,372		1,174,760
			<u>2,079,972</u>		<u>1,179,746</u>
<b>Current assets</b>					
Debtors	4	17,037		-	
Cash at bank and in hand		408,480		30,964	
		<u>425,517</u>		<u>30,964</u>	
<b>Creditors: amounts falling due within one year</b>	5	(947,679)		(406,872)	
<b>Net current liabilities</b>			(522,162)		(375,908)
<b>Total assets less current liabilities</b>			<u>1,557,810</u>		<u>803,838</u>
<b>Creditors: amounts falling due after more than one year</b>	6		(1,339,556)		(677,304)
<b>Provisions for liabilities</b>			(25,434)		-
<b>Net assets</b>			<u>192,820</u>		<u>126,534</u>
<b>Capital and reserves</b>					
Called up share capital	7		100		100
Profit and loss reserves			192,720		126,434
<b>Total equity</b>			<u>192,820</u>		<u>126,534</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 August 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

# **PYJAMA PROPERTIES LIMITED**

## **BALANCE SHEET (CONTINUED)**

***AS AT 31 AUGUST 2018***

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The financial statements were approved by the board of directors and authorised for issue on 30 May 2019 and are signed on its behalf by:

Mr N Arnold  
**Director**

Mrs S L Arnold  
**Director**

**Company Registration No. 07729195**

# **PYJAMA PROPERTIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **1 Accounting policies**

#### **Company information**

Pyjama Properties Limited is a private company limited by shares incorporated in England and Wales. The registered office is 8 High Street, Brentwood, Essex, United Kingdom, CM14 4AB.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from rental contracts is recognised by reference to the period in which it relates to.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% Straight Line
Motor vehicles	10% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **1.4 Investment properties**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

# PYJAMA PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# PYJAMA PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# PYJAMA PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 1 Accounting policies

(Continued)

#### 1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

### 2 Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 September 2017	8,506	-	8,506
Additions	4,664	59,879	64,543
At 31 August 2018	13,170	59,879	73,049
<b>Depreciation and impairment</b>			
At 1 September 2017	3,519	-	3,519
Depreciation charged in the year	2,942	5,988	8,930
At 31 August 2018	6,461	5,988	12,449
<b>Carrying amount</b>			
At 31 August 2018	6,709	53,891	60,600
At 31 August 2017	4,986	-	4,986

### 3 Investment property

	2018 £
<b>Fair value</b>	
At 1 September 2017	1,174,760
Additions	771,347
Revaluations	73,265
At 31 August 2018	2,019,372

The fair value of the investment property has been arrived at on the basis of a valuation carried out by Paragon Bank in May 2018, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.



# PYJAMA PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 3 Investment property

(Continued)

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2018 £	2017 £
Cost	1,946,108	1,174,761
Accumulated depreciation	-	-
Carrying amount	1,946,108	1,174,761

### 4 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	6,303	-
Other debtors	10,734	-
	17,037	-

### 5 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	-	29,440
Trade creditors	73,687	453
Corporation tax	-	6,647
Other creditors	873,992	370,332
	947,679	406,872

### 6 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	1,300,300	677,304
Other creditors	39,256	-
	1,339,556	677,304

Hire purchase agreements are secured against the assets in which they relate to.

On 10 August 2018 the company entered into legal charges with Paragon Bank PLC.  
The mortgages are secured against the property in which it relates to.

# PYJAMA PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 6 Creditors: amounts falling due after more than one year (Continued)

Creditors which fall due after five years are as follows:	2018 £	2017 £
Payable other than by instalments	1,300,300	-

### 7 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital Issued and fully paid</b>		
50 Ordinary A of £1 each	50	50
50 Ordinary B of £1 each	50	50
	<u>100</u>	<u>100</u>

### 8 Non-distributable profits reserve

	2018 £	2017 £
At the beginning of the year	-	-
Non distributable profits in the year	59,345	-
At the end of the year	<u>59,345</u>	<u>-</u>

Non distributable profits have arisen from the revaluation of investment properties.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.